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CHRISTIE, PARKER & HALE, LLP			HARBECK, TIMOTHY M	
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Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/928,036	Applicant(s) HARARI, ADI	
	Examiner Timothy M. Harbeck	Art Unit 3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 08 August 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-32 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-32 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 27-32 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Data structures not claimed as embodied in computer-readable media are descriptive material per se and are not statutory because they are not capable of causing functional change in the computer. See e.g., Warmerdam, 33 F.3d at 1361, 31 USPQ2d at 1760. Such claimed data structures do not define any structural and functional interrelationships between the data structure and other claimed aspects of the invention which permit the data structure's functionality to be realized.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-4, 7-9, 11-14 and 17 are rejected under 35 U.S.C. 102(e) as being anticipated by Broadbent et al (hereinafter Broadbent US 6,904,412 B1).

Re Claim 1: Broadbent discloses a method for loan origination, processing and approval, using a network based system including server system coupled to a centralized database and at least one client system, said method comprising:

- Establishing a business relationship pertaining to a loan transaction between a broker and a lender through legal agreements (Column 6, lines 15-32)
- Defining a division of labor through a task list between the broker and the lender to assist in the performance of legal agreements (Column 6, lines 27-45, lines 60-67; Column 15 lines 48-57)
- Providing forms and informational notices in support of the task list (Column 11, lines 44-50)
- Maintaining a task list to ensure that the broker has complied with the task (Column 17, lines 22-33; Fig 4D "Track completed Tasks")

Re Claim 2: Broadbent discloses the claimed method supra and further discloses wherein said step of establishing a business relationship further comprises the step of executing at least one of a mortgage broker agreement (Column 12 lines 1-22) and a borrower disclosure agreement (Column 12, lines 34-51)

Re Claim 3: Broadbent discloses the claimed method supra and further discloses wherein said step of defining a division of labor through a task list further comprises the steps of identifying at least one of a task as the broker responsibility out of:

- Collecting Documentation (Column 12 lines 46-48)

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- Attending loan closing (Column 12 lines 50-51)

For the sake of brevity see all of Column 12 lines 34-51 which discloses many of the listed responsibilities of claim 3.

Re Claim 4: Broadbent discloses the claimed method supra and further discloses wherein said step of providing forms and informational notices further comprises downloading forms and informational notices on the client system Column 11, lines 44-48).

Re Claim 7: Broadbent discloses the claimed method supra and further discloses wherein said step of downloading further comprises the step of uploading forms and informational notices to the server system after they are completed by the broker (Column 17, lines 26-46)

Re Claim 8: Broadbent discloses the claimed method supra and further discloses wherein said step of maintaining the task list further comprises the step of auditing the task list with original documents to ensure compliance to state and federal regulations (Column 6, lines 46-59; "rules based engine built around Federal and State regulations and which tracks and records every step in the process.").

Re Claim 9: Broadbent discloses the claimed method supra and further discloses the steps of:

- Processing the loan transaction in compliance with state and federal regulations (Column 6, lines 46-59)
- Approving the loan transaction (Column 14 line 66-Column 15 line 5)
- Funding the loan transaction (Column 14 line 66-Column 15 line 5)

- Issuing a commission check to the broker pursuant to the legal agreements after the loan transaction has been funded (Column 13 lines 23-39)

Re Claim 11: Broadbent discloses the claimed method supra and further discloses wherein the client server and the server system are connected via a network and wherein the network is one of a wide area network, a local network, an intranet and the Internet (See Figure 1; Ref 107)

Re Claim 12: Broadbent discloses a method for loan origination, processing and closing, using a network based system including a server system coupled to a centralized database and at least one client system said method comprising:

- Originating a loan application by a licensed individual (Column 12, lines 1-5)
- Processing the loan application by a lender through a task list that defines a division of labor between the licensed individual and the lender (Column 15 lines 48-57)
- Maintaining the task list to ensure that the broker and the lender have complied with their responsibilities (Column 17, lines 26-34)
- Closing the loan application in compliance with state and Federal regulations (Column 6, lines 27-32)

Re Claim 13: Broadbent discloses a system for managing loan transaction in compliance with federal and state regulations, said system comprising:

- A client system comprising a browser (Column 14, lines 27-33; Fig 1)

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- A data storage for information (Figure 2, Ref 223)
- At least one server system configured to be coupled via a network to said client system and said data storage device (Figure 1 Refs 112, 113, 114)
said server system configured to:
 - Develop and track a task list to implement a division of labor between a broker and a lender relating to activities resulting in funding of a loan for a real property transaction (Column 6, lines 27-67)
 - Provide an indication to a party responsible for the task on the task list (Column 7, lines 15-20)
 - Process an approval of the loan after all tasks on the task list are completed and regulatory requirements are satisfied (Column 14 line 66-Column 15 line 5)
 - Issue a commission check to the broker upon funding of the loan and closing of the real property transaction (Column 13 lines 23-39)

Re Claim 14: Broadbent discloses the claimed system supra and further discloses

- A displaying component for displaying a variety of options to a user (Fig 2, Ref 213)
- A sending component to send an inquiry to the server system so that the server system can process and download the requested information to the

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client system (Column 14, lines 27-46; Column 11 lines 44-50; requested information "form documents")

Re Claim 17: Broadbent discloses the claimed method supra and further discloses wherein said client system is further configured to be protected from access by unauthorized individuals (Column 14, lines 43-46).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 5-6, 10, 15-16, and 18-32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Broadbent.

Re Claim 5: Broadbent discloses the claimed method supra and further discloses wherein said downloading further comprises the steps of:

- Accessing the centralized database (Column 15, lines 17-18)
- Searching the database regarding a specific inquiry (Column 15 lines 17-20)
- Retrieving information from the database (Column 15 lines 26-29)

Broadbent does not explicitly disclose

- Transmitting the retrieved information to the client system for the display by the client system

However it was old and well known in the art that to display retrieved information from a database and this step would have been obvious to anyone of ordinary skill in the art. Without said step, the information is abstract and a user of the system would not be able to view that which has been requested. Furthermore Broadbent discloses both the retrieval step and a client display (Fig 2) that suggests such a combination.

Re Claim 6: Broadbent discloses the claimed method supra but does not explicitly disclose wherein said step of downloading further comprises the steps of downloading the user manual from the server system and printing the downloaded manual on a printer. However providing a user manual to a system was notoriously old and well known in the art at the time of invention and would have been obvious to anyone of ordinary skill. One would be motivated to provide such a manual in case the user of the method became confused and needed assistance. Furthermore since the system is fully automated on a network server, allowing the user to download and print said manual from the server would have been obvious so a user would not have to wait for a traditional manual in the mail to address the problems but rather could be provided with instruction almost immediately.

Re Claim 10: Broadbent discloses the claimed method supra but does not explicitly disclose wherein said step of maintaining the task list further comprises printing requested information in a pre-determined format. However Broadbent does disclose means for producing Task Status reports that show the progress of the transaction (See Columns 25-27). Furthermore it was well known in the art to print a progress report with specifically requested information and therefore this step would

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have been obvious to anyone of ordinary skill in the art. One would be motivated to do this in order to have a hard copy report of the current status of the task list in order to show the customer / client the progress toward closing and funding the loan transaction.

Re Claim 15: Broadbent discloses the claimed system supra but does not explicitly disclose wherein the sending component functions in response to a click of a mouse button. However using a mouse to operate a sending component is old and well known in the art at the time of invention and would have been obvious to anyone of ordinary skill. Furthermore Broadbent discloses other general purpose computer units (Fig 2, Ref 225), which would be obviously include a mouse to anyone of ordinary skill.

Re Claim 16: Broadbent discloses the claimed system supra but does not explicitly disclose wherein the sending component functions in response to a voice command. However voice recognition software was well known in the art at the time of invention and would have been obvious to anyone of ordinary skill in the art. One would be motivated to include this feature in order to operate the system even if traditional means are unavailable. Voice recognition software has been used for things such as initiating phone calls or computer commands, or for use by persons with disabilities who cannot physically operate a keyboard or mouse.

Re Claim 18: Broadbent discloses the claimed system supra but does not explicitly disclose wherein said server is configured to send automatic email notifications to parties involved. However the sending of automatic emails was notoriously well known in the art at the time of invention and would have been obvious to anyone of ordinary skill in the art. Email is a fast and efficient way of communicating information

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over a network and in instances where progress is tracked, as in the Broadbent disclosure, the automatic sending of emails with regards to said progression to the ultimate goal is advantageous in order to continually monitor the situation and make adjustments of necessary. While the email notifications could be sent manually, automatically sending messages is more time efficient and furthermore eliminates the possibility of a user failing to do so.

Re Claim 19: Broadbent discloses a computer to facilitate online origination, processing and approval of loans, said computer coupled to a centralized database and programmed to:

- Receive loan transaction information in to the centralized (Column 9, lines 8-16, lines 32-44)
- Evaluate the loan transaction based on pre-determined criteria (Column 9, lines 34-38)
- Generate management reports to track the loan transaction (Column 25-27 "Task Status Report")

Broadbent does not explicitly disclose the step comprising:

- Store the loan transaction information into various subsections of the centralized database and cross reference the loan transaction information against a borrower identification for easy retrieval and update

However the Broadbent disclosure calls for the tracking and reporting of progress of a mortgage loan transaction, which are well known in the art as transactions that occur over an extended period. Therefore it would have been obvious to anyone of

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ordinary skill in the art at the time of invention to allow for the storing of information in order to recall the information at a later time. If this feature were not available, the system would have to operate continuously without shutting down which would be inefficient. Furthermore, if there were a system failure or an accidental shutdown the entire process would need to be restarted.

Re Claim 20: Broadbent discloses the claimed computer supra but does not explicitly disclose wherein the computer is further programmed to provide a notification to users via electronic mail regarding final decision. However disseminating information over electronic mail is notoriously well known in the art and would have been obvious to anyone of ordinary skill. By sending out an email, users of the system can be notified of any decision or progress almost immediately over the network. This process is more efficient than traditional paper mail, or other notification methods such as via a telephone, as emails can be sent in mass.

Re Claim 21: Broadbent discloses the claimed computer supra and further discloses wherein the computer is further programmed to provide flexibility to an administer to make changes to the centralized database by at least one of adding, modifying and deleting the loan transaction information (Column 17, lines 22-25, Column 21, lines 23-26).

Re Claim 22: Broadbent discloses a computer program embodied on a computer readable medium for processing and approving real estate loans, comprising a code segment providing for:

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- Registering a broker with a lender to process a transaction (Column 12 lines 20-22)
- Generating loan documents after the loan transaction has been approved (Column 11, lines 44-50)
- Generates a commission check to the broker after the loan documents are executed and the loan transaction is closed (Column 13, lines 24-39, Column 21 lines 46-50))

Broadbent does not explicitly disclose

- Providing a list of tasks and targeted completion dates to the broker based on an anticipated closing date of the loan transaction
- Tracking the list against the targeted completion dates to complete the task

However it was notoriously well known in the art at the time of invention that mortgage loan transactions are time sensitive with respect to a closing date. Therefore it would have been obvious that the tracking and monitoring of the tasks and progress of the transaction, as disclosed by Broadbent, would be with respect to some future date. If this were not the case there would be no benchmark to measure the “progress” of the tasks. In essence without a timeframe, the tracking of progress would be moot since there would be no way to measure if the transaction is ahead, on, or behind schedule, because there would be no schedule.

Re Claim 23: Broadbent discloses the claimed computer program supra but does not explicitly disclose wherein registering the broker with lender is accomplished

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online. However it was notoriously well known in the art at the time of invention to register with a company or license online. Furthermore the system of Broadbent is described with respect to an online environment (Column 14, lines 19-26). Therefore it would have been obvious to allow brokers to register online to maintain consistency within the disclosed online system and furthermore provide a time efficient way to register as opposed to a traditional system such as paper mail, which would take days or weeks to process.

Re Claim 24: Broadbent discloses the claimed computer program supra but does not explicitly disclose a code segment for prioritizing the task list. However it was notoriously well known in the art to prioritize a task list in order to work toward completion. This is done because of the so-called critical path of any task, wherein certain tasks need to be completed before it is logistically possible to begin another task. Therefore it would have been obvious to anyone of ordinary skill in the art to include this feature to the disclosure of Broadbent in order to create the most efficient task list possible. It would be wasteful to prematurely commit resources to a task that could not be completed at that time. In prioritizing the task list based on a critical path, the utilization of resources can be optimized as well as the efficiency of the entire project.

Re Claim 25: Broadbent discloses the claimed computer program supra but does not explicitly disclose code for generating various management reports based on user-selected criteria in a predetermined format. However Broadbent does disclose means for producing Task Status reports that show the progress of the transaction (See

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Columns 25-27). Furthermore it was well known in the art to print a progress report with specifically requested information and therefore this step would have been obvious to anyone of ordinary skill in the art. One would be motivated to do this in order to have a hard copy report of the current status of the task list in order to show the customer / client the progress toward closing and funding the loan transaction.

Re Claim 26: Broadbent discloses the claimed computer program supra and further discloses code for monitoring the security by restricting access to unauthorized individuals (Column 14, lines 43-46)

Re Claim 27: Broadbent discloses a database to manage loan processing and improve operational efficiency of a business entity said database comprising

- Data corresponding to various transactions (Column 20 lines 47-50) with at least one of transactions status date (Column 23, lines 33-34) and action lists data associated with various transactions

Broadbent does not explicitly disclose

- Data corresponding to various mortgage programs with at least one of associated reference numbers, a starting rate and an ending rate, a margin, client points and maximum loan to value ratio

However Broadbent does disclose data corresponding to "basic transaction parameters" (Column 16, lines 54-60). It was well known in the art that such things as starting rate, ending rate and margin constitute "basic transaction parameters" and therefore it would have been obvious to any one of ordinary skill at the time of invention to include these parameters to the disclosure of Broadbent.

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Broadbent further does not disclose

- Data corresponding to contact information regarding parties to various transactions, the data corresponding to contact information cross referenced against data corresponding to various mortgage programs and data corresponding to various transactions for at least one of easy retrieval, update and storage.

However the step of storing contact information related to users of the system as well as references to particular programs and transactions that they are a party to was notoriously old and well known in the art at the time of invention and would have been obvious to anyone of ordinary skill in the art. Without such information the system would have no way to organize or manage all the information that has been presented. The system needs a way to both recognize customers and then access their related accounts. Furthermore the system may need to contact the users at some point if a certain transaction is falling behind schedule, which would not be possible without associating a user with an account and having contact information associated with said user.

Re Claim 28: Broadbent discloses the claimed database supra and further comprising data corresponding to at least one of borrowers, agents, properties (Column 16, lines 59-60 "property location."), a price of each property, a closing date of each property, and a status of a loan transaction of each property.

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Re Claim 29: Broadbent discloses the claimed database supra and further discloses data corresponding to borrowers preferences for products and services (Column 9, lines 39-41 “preferred loan product.”)

Re Claim 30: Broadbent discloses the claimed database supra but does not explicitly disclose data corresponding to brokers preferences for products and services. However it is well known in the art that products and services associated with a mortgage transaction vary greatly. For this reason certain brokers may feel more comfortable with certain products or services than others and therefore allowing them to issue preferences with respect to their area of expertise would have been obvious to anyone of ordinary skill to ensure that all parties receive the best possible service. In this way all parties can feel comfortable with the process and fewer mistakes will be made because of a broker's inexperience with a particular product.

Re Claim 31: Broadbent discloses the claimed database supra but does not explicitly disclose data corresponding to negative history of at least one of brokers or borrowers. However providing a negative history of potential counterparties is old and well known in the art and would have been obvious to anyone of ordinary skill as a means to prevent entering into an unfavorable transaction. If a borrower or broker has shown to be unreliable in the past, it is more likely that they will default on the current agreement and therefore the lender may wish to reevaluate the terms of the deal, or the deal in its entirety. Furthermore, Broadbent does disclose the submission of a credit rating of the borrower (Column 9, lines 46-47), which is well known in the art as a way to flesh out any history, including negative history, of the borrower.

Re Claim 32: Broadbent further discloses the claimed database supra and further discloses data comprising at least one of data corresponding to various mortgage rates (Column 11, lines 1-6), data corresponding to various risk assessment criteria (Column 9, lines 11-16, 34-38 "credit profile," lines 42-44 "credit rating"), and data corresponding to various loan applications, wherein the data corresponding to various risk mortgage rates and the data corresponding to the various risk assessment criteria are cross referenced to data corresponding to various loan applications (Column 9 lines 42-44; "credit rating of the borrower.")

Conclusion


Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Souh can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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